Offering of shares of unlisted State owned companies

2958. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to offer shares of the unlisted State owned companies to public as an alternative of disinvestment;

(b) if so, the details thereof; and

(c) what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Government has decided, in principle, to list large, profitable Central Public Sector Enterprises (CPSEs) on domestic stock exchanges and to selectively sell small portions of equity in listed, profitable CPSEs (other than the navratnas).

There are a number of large, profitable, unlisted CPSEs, which would gain by getting listed on domestic stock exchanges through an Initial Public Offer of a small proportion of the shareholding of the Government. Listing on stock exchanges would enable these CPSEs to access the capital markets in future for their own capital investment requirements. There are also a number of listed, profitable CPSEs in which the shareholding of the public is very limited. Enlarging the shareholding of the public in such CPSEs provides an opportunity to investors to invest in these CPSEs. It also provides greater liquidity for the trading of these CPSE shares. Employees of the CPSEs would also get an opportunity for investing in these shares through reservation of a part of the offered shares for subscription by them.

Government has also decided that the realisation from the disinvestment of a small proportion of the Government's shareholding in CPSEs would be channelised into the National Investment Fund.

Release of funds to States

†2959. SHRI LAXMINARAYAN SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have released the amount as recommended by the Twelfth Finance Commission to the States;

† Original notice of the question was received in Hindi.

(b) if so, the amount to be received by Madhya Pradesh for the year 2005-06 for three tier Panchayati Raj Institutions and the amount released out of this alongwith the date of release;

(c) by when the remaining amount will be released; and

(d) the reasons for not releasing the entire amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) Yes, Sir.

(b) to (d) The Twelfth Finance Commission has allocated Rs. 332.60 crore for Madhya Pradesh for the year 2005-06 for three tier Panchayati Raj Institutions. 1st instalment of Rs. 166.30 crores was released to Madhya Pradesh on September 13, 2005, subject to the fulfillment of conditions laid down in the guidelines issued by this Ministry.

Second instalment will be due for release in January, 2006 and will be released subject to the fulfillment of conditions laid down in the guidelines.

Common credit cards to small workers

†2960. SHRIMATI MAYA SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to provide common credit cards to small workers like carpenters, tailors and masons for getting loans from banks;

(b) if so, the criteria being fixed for availing this benefit; and

(c) the details of the action taken/proposed to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) A proposal for introduction of a General Credit Card (GCC) Scheme to cater to the credit needs of all

† Original notice of the question was received in Hindi.